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Summer 5-25-2013

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Erhao Zhong

*Neusoft Institute of Information Technology, Nanhai, Foshan, Guangdong, 528225, China, zeh888@163.com*

Huijuan Yang

*Neusoft Institute of Information Technology, Nanhai, Foshan, Guangdong, 528225, China*

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### Recommended Citation

Zhong, Erhao and Yang, Huijuan, "The exploration for e-commerce sustainable marketing" (2013). *WHICEB 2013 Proceedings*. 17.  
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## The exploration for e-commerce sustainable marketing

*Erhao Zhong*<sup>1\*</sup>, *Huijuan Yang*<sup>2</sup>

<sup>1</sup> Neusoft Institute of Information Technology, Nanhai, Foshan, Guangdong, 528225, China

<sup>2</sup> Neusoft Institute of Information Technology, Nanhai, Foshan, Guangdong, 528225, China

**Abstract:** E-commerce marketing plays an important role in the development of e-commerce. However, many e-commerce marketing types are obscure, excessive and exaggerated. If some consumers buy and use inappropriate products or services, the consumers may suffer from greater losses. As a result, these marketing types are not sustainable, and also hinder the development of e-commerce. Research on optimizing and restructuring the e-commerce marketing has important practical significance. The article analyzes and studies existing e-commerce marketing according to the interests of all parties and aim to result in a win-win situation. We introduce the ideas and methods from the Business Process Reengineering (BPR) to optimize and restructure e-commerce marketing. Finally, we discuss the characteristics, content and process of the e-commerce sustainable marketing and give some discussions on its real applications.

**Keywords:** e-commerce, marketing, win-win

### 1. INTRODUCTION

E-commerce marketing refers to an enterprise engaged in e-commerce (e-commerce enterprise) to market products or services by e-commerce platform and electronic tools. Some e-commerce enterprises have the ability to provide their own products or services for consumers, and some other enterprises provide certain products or services for the consumers through the procurement. These enterprises sell products or services to consumers by the e-commerce marketing in order to achieve their own economic benefits.

E-commerce marketing plays an important role in the development of e-commerce. However, many e-commerce marketing types are obscure, excessive and exaggerated, and the details are as follows:

A. Some products or services are effective for some consumers, and are invalid even harmful for some other consumers, such as some healthcare products. But when some advertisements or marketing staff introduce these products or services, they intentionally or unintentionally confuse the effective range or suitable crowd of these products or services to sell these products or services. This is the marketing ambiguity.

B. Some e-commerce enterprises excessively release advertisements by Internet regardless of occasions and locations in order to introduce relevant products or services, for example by the web link to force the browsers to read the advertisements or constantly to send large amounts of spam. This is excessive marketing.

C. Some e-commerce enterprises or their staffs deliberately exaggerate the functions or effects of their products or services, and by this they mislead the consumers to purchase. This is the marketing exaggeration.

In the above process, if some consumers buy and use inappropriate products or services, the consumers may suffer from greater losses to cause dissatisfaction [1]. As a result, these marketing types are not sustainable, and also hinder the development of e-commerce [2].

Above mentioned problems are caused by the enterprise in order to obtain high profits or greatly reduce existing loss due to the drive of their own interests. This leads above unsustainable marketing. To solve these problems, on the one hand relevant regulatory authority needs to regulate and standardize the marketing types, on the other hand we need to optimize and reorganize e-commerce marketing process so as to achieve a win-win

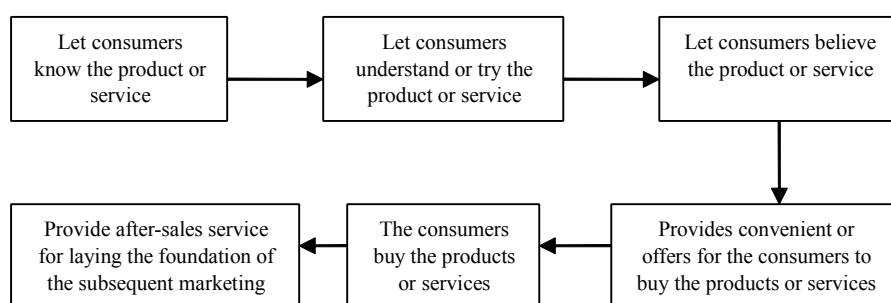
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\* Corresponding author. Email: zeh888@163.com(Erhao Zhong)

situation. Therefore research on optimizing and restructuring the e-commerce marketing has important practical significance. In first we analyze some problems of existing e-commerce marketing.

## 2. THE PROCESS AND PROBLEMS OF EXISTING E-COMMERCE MARKETING

Traditional 4P (product, price, place, promotion) marketing combination has produced a profound impact in the marketing practice. The marketing combination under the guidance of the 4P theory has become the basic law in general enterprise marketing. E-commerce marketing realizes the innovation on the basis of the 4P marketing model [3], i.e., from the 4P model e-commerce marketing upgrades to 4C (Customer, Cost, Convenience and Communication). This reflects the marketing principle of “consumer satisfaction” as the first at the higher level. However, due to the restriction of the market environment and technical requirement, the most of existing e-commerce marketing types are still associated with the traditional marketing [4], and the typical process is shown in Fig. 1.



**Fig.1. The typical process of the most of existing e-commerce marketing types**

From 4P to 4C e-commerce marketing has made great progress, and the marketing focus turns to meet consumer demands and to facilitate consumers [5]. However, in which the main problems are:

A. Provided products or services by the enterprise do not fully consider (or do not really consider) consumer demands to lead to the deviation between consumer demands and these products or services. So that the marketing results may be the overstorage of the products or services, or be that the consumers suffer from corresponding losses by not precisely meeting the consumer demands.

B. The marketing enterprise introduces the products or services without the appropriate protection in the interests; therefore various integrity issues may arise [6], which are detrimental to the enterprise and consumers.

C. Some enterprises attempt to expand product sales through the large number of advertising and marketing activities, but they do not resolve fundamental problems of the products or services to meet consumer demands. This may both waste a lot of resources, but also cause antipathy of consumers, to play opposite effects [7].

D. Many e-commerce enterprises rarely fully use e-commerce advantages to meet the individual demands of consumers through the marketing. At present, most of the products or services provided by the enterprises are massive, although this has a price advantage, but the products or services hardly precisely meet the consumer demands; customized product or service price is usually high, and general consumers can not accept. These limit the marketing effects [8].

There is a fundamental flaw in existing e-commerce marketing. That is: many enterprises rarely proactively predict the consumer demands, rarely proactively provide the best-fit products or services for the consumers, and rarely proactively save the product or service costs for the consumers (but waiting for the consumer demands) [9]. This is one of the root causes of many marketing problems.

In order to resolve above problems, we need to optimize and reorganize existing e-commerce marketing.

For these we discuss in the following.

### **3. THE PRINCIPLES AND CONCEPTS OF OPTIMIZING AND REORGANIZING E-COMMERCE MARKETING**

In order to optimize and reorganize existing e-commerce marketing, we need to introduce the theory and way of BPR (Business Process Reengineering). In 1990 the BPR theory was first proposed by U.S. famous management guru Michael Hammer [10] and achieved great success in many foreign practices.

The BPR theory has four core contents, namely foundation, thoroughness, dramatic improvement, and business process [10]. In these four contents, “foundation” indicates that BPR focuses on the fundamental issues; “thoroughness” indicates that BPR ignores all stereotypes and rebuilds the business processes; ‘dramatic improvement’ reveals that the purpose of BPR is to significantly improve the process performance; the major point the BPR focuses is the key processes, and it restructures based on these processes in order to obtain a competitive advantage in the market.

By above BPR theory and way, we can get the content and direction of reengineering existing e-commerce marketing business process:

A. The fundamental issue of e-commerce marketing is to enable enterprises and consumers to realize the interrelated interests and a win-win situation.

B. Optimizing and reorganizing e-commerce marketing should thoroughly resolve original short-sighted problem to achieve long-term stable cooperation and reciprocity between enterprises and consumers.

C. By the advantages of e-commerce the process achieves the perfect combination of the scale and individuation of products or services, so that enterprises and consumers all satisfy in the economic benefits.

D. In optimizing and reorganizing e-commerce marketing concerned main point is how to effectively get the real demands of the consumers for the products or services, as well as how to meet the individual demands of the consumers under the condition of maintaining economic benefits.

After optimizing and reorganizing existing e-commerce marketing, the marketing with above content is sustainable, and this is the e-commerce sustainable marketing. In order to understand the sustainable marketing, we first introduce following two marketing principles:

Marketing Principle 1: the willingness of a consumer to buy a product or service is to get certain product values or service effects by certain money to meet his own demands; in the product purchase his hesitation or choice is to control purchase risks and to ensure purchase quality. If the consumer trusts the seller and the product or service meets his requirements, the transaction can be executed immediately. When a consumer requires the after-sales service in purchase, actually he uses the service as a sale protection. For a consumer, after buying the product or service, no after-sales service is the most desirable. Therefore, the result of the best marketing service is no demands for after-sales service (i.e. Consumer Willingness Principle).

Marketing Principle 2: If a consumer is able to obtain high-quality and efficient product or service, the consumer will be able to accept a reasonable price adjustment (i.e. Marketing Value / Price Ratio Principle).

Above two marketing principles explain concept of the e-commerce sustainable marketing, i.e. to achieve sustainable marketing a enterprise needs to get trust and hearts of consumers by the work and integrity, to enable consumers to obtain high-quality products or services to meet their demands and to achieve a win-win situation.

To further illustrate the sustainable marketing, we introduce two basic concepts:

A. The consumption (value / price) ratio of product or service

At present, evaluators generally use “performance-price ratio” as the indicator of the product economic practicality. Its basic assumption is that performance represents product value. In fact, pure performance cannot express actual product value. For example, a mobile phone has a video playback performance, but actually it can

only play a very short time, and the picture is not clear. Such a “performance” is actually of little value. Therefore, based on the current market understanding of “performance-price ratio”, we believe that using the product (value / price) ratio should be more appropriate. Product (value / price) ratio means “the product value / the product price”, referred to as “V/P”. In e-commerce, consumers often do not need to run out of all the features or capacity of a selected product. At the situation, if consumers choose the product, although its V/P looks high, it causes a certain amount of waste. As a result, its V/P is still not high under comprehensive consideration. Suppose a consumer wants to buy a U disk and he needs the storage capacity of no more than 4G. In the market the capacity of U disk A is 4G with the price of 30 Yuan, the capacity of U disk B is the 8G with the price of 40 Yuan, and other features of the two U disks are the same. It is clear that the V/P of U disk B is higher. But if the consumer purchased U disk B, he paid 10 Yuan more but only get the same effect as U disk A. In this case actual V/P of U disk B is not higher.

In order to solve above problem, we introduce the concept of “Consumption V/P”. We quantify the “Consumption V/P” (CVP) as the ratio of the consumption value (weighted value) of the product (CV) and its price (P): 
$$CVP = CV / P$$

According to the above formula, only when a product’s value is basically run out of by a consumer and its normal use and application expansions do not be affected (i.e. sufficient use), its CVP can achieve the largest level. Guided by the product CVP, most of common consumers can get the maximum benefits in purchase.

B. The “best-fit point” between product or service and consumer demand:

Many consumers need high level of services and fashion products, however, when they consider whether it is willing to pay higher prices for these products or services, they will hesitate. In fact, in the majority of e-commerce activities, the consumers do not need perfect products or services, but need the best-fit products or services (That is at best-fit point) for them.

From the above two concepts and marketing principles, we can understand the concept of the e-commerce sustainable marketing. I.e. in e-commerce, for the majority of ordinary consumers a enterprise should give priority to CVP and provide the best-fit product or service by “best-fit point” and convenient channel, so as to build brands and integrity of the enterprise in e-commerce marketing, achieve consumers’ trust and hearts, and realize sustainable development.

#### **4. THE CHARACTERISTICS, CONTENT AND APPLICATION OF THE E-COMMERCE SUSTAINABLE MARKETING**

To optimizing and reorganizing e-commerce marketing, according to the requirement of BPR excellent process we may determine the characteristics of the e-commerce sustainable marketing.

Dr. Hammer indicated four characteristics of the excellent process: RIGHT, CHEAP, EASY and FAST. I.e. under the premise of RIGHT output, BPR should make the process FAST, EASY and CHEAP [10]. Therefore, the e-commerce sustainable marketing should have the following characteristics:

A. The e-commerce sustainable marketing uses the correct way to enable enterprises to produce suitable products or services for consumers, so that consumers can easily buy the best-fit products, and ultimately the mutually profitable pattern is formed (RIGHT).

B. The e-commerce sustainable marketing achieves precision marketing by suitable ways, and does not reduce marketing effectiveness while saving marketing costs and consumer purchase costs (CHEAP).

C. The network platform of the e-commerce sustainable marketing and offline services can facilitate the communication between enterprises and consumers, so that consumers easily reflect their own demands to the enterprises to get the best-fit products (EASY).

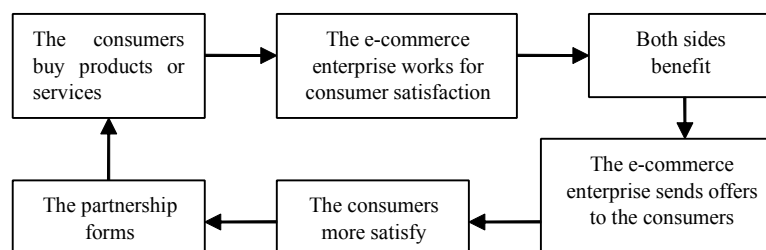
D. By the advantages of e-commerce the enterprise can quickly get the consumer demands and market

changes, and react immediately, so that the consumers can quickly achieve their own demands (FAST).

In order to achieve the above characteristics, we first need to solve the issue of relationship of interests between e-commerce enterprises and consumers.

In most of existing marketing types, the e-commerce enterprise and the consumer are trading both sides and their economic interests conflict each other (the consumer pays the income of the enterprise, and the consumer's gain is the disbursement of the enterprise). For example, the enterprise wants the higher price and lower cost of the product or service as possible, and the consumer is just the opposite. Therefore, in this case we can also say that the enterprise and the consumer are the opponent under market economy condition.

In fact, between the e-commerce enterprise and the consumer there is the association of interests. According to the above-mentioned Marketing Principle 1, both sides all want the transaction of product or service to be realized as soon as possible according to their own interests. This can become the basis for new marketing business, i.e. both sides take measures to ensure the security of the product or service and transactions as soon as possible, so that they may become mutual trust "partners". The new interest chain is shown in Fig.2.



**Fig.2. The new interest chain in an e-commerce enterprise and consumers**

From Fig.2 we can see that the e-commerce enterprise plays a more pro-active role to form the new interest chain, in which consumer satisfaction and provision of benefits and promotions are the key.

The enterprise needs to use the association and protection of the interests to gain the trust of the consumers and to meet the consumer demands for consumer satisfaction. However, currently in most of e-commerce marketing processes, the introduction of the enterprise for the products or services (such as advertising, publicity, etc.) is no guarantee, which may lead to consumers' suspicion in the authenticity of the enterprise marketing discourses. If the enterprise provides appropriate protection (for example, contributing the security deposit for good faith, third-party guarantees, etc.) and the consumers can obtain corresponding compensation according to the problems of the products or services, the interests of both sides can effectively associate, so that the consumers will not hesitate when they buy the products or services.

Although existing e-commerce enterprises also put "listening to the views or suggestions of consumers" in an important position, after listened to the views or suggestions the enterprises basically did not give the consumers the appropriate return, and just gave some thank words in most cases. But in fact, real consumer views or suggestions have invaluable values, and according to the views or suggestions the enterprises can optimize their products or services. If the enterprises provide appropriate promotions or reward for the views or suggestions, this will effectively associate the interests of both sides.

Therefore, the e-commerce sustainable marketing can take the following specific ways: A. The enterprise contributes the security deposit for good faith to third-party authority. If the products or services have the quality or effect problems, the consumers may directly claim or refund (Interests Guarantee). B. The enterprise provides related promotions for the consumers who repeatedly purchased its products or services (association of interests). C. The enterprise uses reasonable promotions to attract the consumers to focus on its products or services, gets their demands at the same time, and develops corresponding products or services according to the demands to

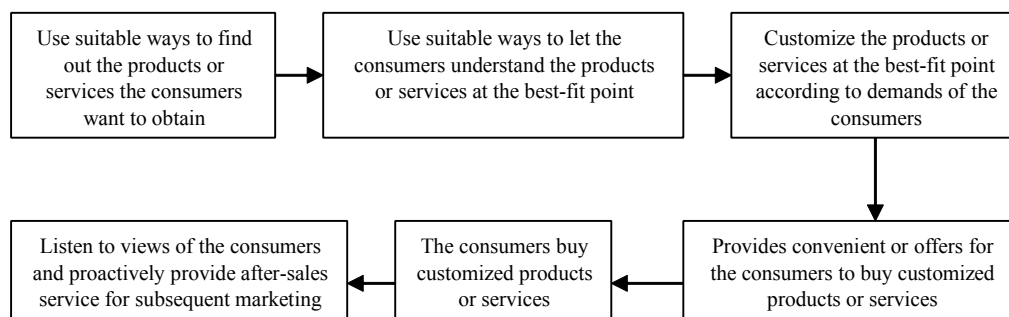
achieve the precision marketing.

In order to give the consumers profits and promotions, reduce the purchase costs of the consumers, and maintain the economic benefits of an e-commerce enterprise at the same time, the enterprise needs to take full advantage of combination of e-commerce scale and individuation. In this combination the individuation may maximally meet the consumer demands; according to above Marketing Principle 2, the consumers can accept a reasonable price increase. But e-commerce can achieve the large-scale production according to personalized orders, which makes personalized products or services have the batch price advantage. Therefore, the e-commerce enterprise can give the profits and promotions to the consumers without reducing their own economic benefits, i.e. the enterprise can provide the products or services with high CVP for the consumers.

The after-sales service is an important part of the e-commerce sustainable marketing. According to above Marketing Principles 1, the enterprise should utilize suitable ways to avoid the consumers using the after-sales service. These ways are: selecting of the best-fit products or services for consumers, choosing the products or services with convenient after-sales service for consumers, and using suitable way to ensure the quality and protection of the products or services for consumers. Once a consumer needs to after-sales service, the enterprise should quickly communicate with the consumer to identify the cause and to complete the service. If the after-sales service is caused by some problems of the product or service, the enterprise needs to send appropriate compensation to the consumer and try to avoid the recurrence of similar problems. So that the enterprise improves the marketing work in order to obtain the trust of the consumers.

In summary, the e-commerce sustainable marketing content is that the enterprise proactively considers for the consumers, predicts consumer demands from the consumers' point of view, and realizes the perfect combination of scale (price advantage) and personality (accurately to meet consumer demands) of the products or services by communicating with consumers, to achieve an win-win situation. In other words, the content is that an enterprise produces or procures the corresponding products according to consumers' demands obtained by the superior way of e-commerce, and then sells to the required customers, rather than after producing some products seeks the target customers or uses all means to sell these products.

An enterprise needs to achieve the e-commerce sustainable marketing through a combination of the online and offline services. On the one hand the offline marketing services ensure the reliability and the feeling of the entities for the consumers (in many cases, this is the basis for the consumer to decide whether to buy, such as clothes trying); on the other hand the offline services can also expand marketing target customers (sometimes the offline target customers are more). Therefore the e-commerce sustainable marketing must provide offline marketing services for consumers.



**Fig.3. The process of the e-commerce sustainable marketing**

The process of the e-commerce sustainable marketing is shown in Figure 3.

From Figure 3, we can conclude that some properties of the e-commerce sustainable marketing: A.

anticipation, i.e. the enterprise needs to use suitable ways to predict the consumer demands in order to get a marketing initiative. B. initiative, i.e. the enterprise needs proactively to communicate with the consumers in order to understand the consumer demands and develop corresponding products or services. C. precision, i.e. the enterprise needs to consider the individual demands of consumers, and accurately provides the best-fit products or services for consumers. D. a win-win situation, i.e. by the advantages of e-commerce the enterprise achieves high CVP of its products or services and a win-win situation of the enterprise and consumers.

The following example illustrates the application of the e-commerce sustainable marketing for an enterprise that has the production capacity.

By the e-commerce platform an enterprise for producing clothing markets its products, the following process can be used:

A. The enterprise establishes a marketing website to introduce its products, by the combination of online and offline of advertising it provide benefits and incentives to attract consumers to browse its website, and register their demands at specified websites or offline agencies.

B. The enterprise visits registered consumers to determine their demands and issues the coupons for them.

C. According to the consumer demands from the marketing department the enterprise's R & D department forms the production capacity of computer control system for customizing personalized clothing (This can be achieved by introducing advanced 3D printing system). Then in the marketing websites or specified offline agencies the enterprise demonstrates the ability to customize a variety of styles (including a variety of fashion styles of the enterprise predicting) and accept online or offline consumer customization (The consumers can pay the custom fees through specified offline agencies, bank transferring or cashing on delivery).

D. After the computer custom clothing system produces the personalized clothing, the enterprise can send the clothing to specified offline agencies in batches to distribute or distribute through e-commerce courier.

E. The enterprise provides after-sales service for the consumers through the marketing websites or specified offline agencies and listens to their views, and rewards the consumers for their reasonable comments or suggestions. The enterprise's marketing and R & D departments based on consumer comments or suggestions improve or perfect the marketing process.

At present some enterprises for producing clothing have been conducted the marketing with some parts of the above-mentioned processes, and achieved great success. For example, in the apparel industry the Spanish Inditex Group has a well-known brand ZARA with the Dell model. In the model the ordering party and accepted by the ordering party system combined operations on the basis of the ERP, CRM and SCM into one [11]. ZARA establishes such a system: twice weekly from 2000 stores around the world to accept order, within 24 hours in Europe, the United States within 48 hours, within 72 hours of delivery, and store inventory zero. Its turnover to complete a supply chain is in about 15 days [12]. ZARA has unique advantages in technology research and services. According to the research found ZARA it has formed an R & D- services - products closely integrated mode, i.e. first discovered the new trend of the market tastes and fastest product development, combined with the cost advantage, ZARA obtained high viscosity of customers, attracting a large number of repeat customers. This fast track trends and cost-effective way to win the market make ZARA become the leading enterprise of "fast fashion" in whole apparel industry [13].

If an e-commerce enterprise has no production capacity, in sustainable marketing content, the enterprise provides the products or services for consumers by procurement according to the consumer demands, and the rest is basically similar with the enterprise that has the capacity.

## 5. CONCLUSIONS

In the article the e-commerce sustainable marketing is designed based on the BPR theory and way, with the



consideration of the existing environment and specific circumstances of e-commerce enterprise marketing. The major idea of the sustainable marketing is that an enterprise produces or procures the products based on the consumers' demands obtained by the superior ways of e-commerce, and sells directly to the requested customers rather than after producing some products goes to marketing. Obviously, this sustainable marketing can precisely meet consumers' demands and greatly reduce the waste of related resources. If the sustainable marketing can be achieved using appropriate management ways, we believe that it will significantly promote the healthy and sustainable development of e-commerce industry. This requires e-commerce enterprises to constantly optimize the sustainable marketing according to their actual situations. We anticipate that the marketing strategy proposed in this article will lead to a win-win situation between enterprises and consumers.

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